

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

IN RE:

HENRY ALLEN GRAY and
TRICIA LEIGH GRAY,

Debtors.

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BANKRUPTCY NO. 04-66103 JPK
Chapter 13

ORDER SCHEDULING HEARING

On May 11, 2005, the debtors, by counsel, filed an Objection to Claim with respect to claim number 1 of CPS. Proper notice of the objection, and of the notice of objection required by applicable local rules, was provided to the creditor, and no response or request for hearing was filed. However, pursuant to 11 U.S.C. § 502(a)(1), the claim filed by the creditor has a prima facie validity which must be overcome by the debtors, a concept reinforced by Fed. R. Bankr. P. 3001(f) which provides that a proof of claim "shall constitute prima facie evidence of the validity and amount of the claim." The sole basis of the objection is that "debtor believes the claim is only \$17,062.00 with 7% interest," and there is no documentation or other evidence submitted in support of the objection to sustain the debtors' "belief." The material of record at this time submitted by the debtors is simply not sufficient to overcome the prima facie validity of the creditor's claim. Review of the claim and of the objection causes the Court to believe that the issue between the parties is the valuation of a motor vehicle, a matter appropriately addresses pursuant to Fed. R. Bankr. P. 3012.

IT IS ORDERED that a pre-hearing conference will be held on **July 25, 2005 at 2:15 P.M.** pursuant to Fed. R. Bankr. P. 3012 with respect to the debtors' objection to claim number 1 of CPS.

Dated at Hammond, Indiana on June 28, 2005.

/s/ J. Philip Klingeberger
J. Philip Klingeberger
United States Bankruptcy Court

Distribution:
Debtors, Attorney for Debtors
Trustee
U.S. Trustee
Creditor CPS, P O Box 57071, Irvine, CA 92619-7071